

Item # _____

Prepared by: Gaye Davis/Lee Hinson

Approved by: _____

RESOLUTION APPROVING A LEASE/PURCHASE AGREEMENT WITH NUCOR STEEL MEMPHIS, INC., AS APPROVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION ON SEPTEMBER 23, 2009. THIS RESOLUTION SPONSORED BY COMMISSIONER DEIDRE MALONE.

WHEREAS, Nucor Steel Memphis, Inc. (“Nucor”) requested that the Memphis and Shelby County Port Commission enter into a Lease Agreement whereby Nucor would lease from the Port Commission 170.741 acres, said lease to be for ten years at \$40,000 for the first year, with increases thereafter, with an option giving Nucor the right to purchase the property under certain circumstances. A copy of the Lease Agreement is attached hereto as Exhibit “A” and incorporated herein; and

WHEREAS, the Memphis and Shelby County Port Commission approved this Lease Agreement at its regularly scheduled meeting on September 23, 2009 and recommends approval by the Shelby County Board of Commissioners, and

WHEREAS, said proposed Agreement is in the best interest of the Memphis and Shelby County Port Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, on recommendation of the Memphis and Shelby County Port Commission, that the proposed lease/purchase agreement with Nucor Steel Memphis, Inc. be and hereby is approved.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute same.

BE IT FURTHER RESOLVED, That this action is subject to concurrence by City of Memphis.

Joyce Avery
Acting County Mayor

Date_____

Attest:

Clerk of County Commission

ADOPTED_____

SUMMARY SHEET

- I. Description of Item : Resolution approving a Lease Agreement with Nucor Steel Memphis, Inc. that includes an Option to Purchase the Buffer Area, as approved by the Board of Commissioners of the Memphis and Shelby County Port Commission on September 23, 2009.

II. Source and Amount of Funding

This is a Lease Agreement for a ten year period for the right to lease Port Commission property. The “Tenant” will pay the Port Commission, “Landlord”, an annual amount of \$40,000.00 in advance. Rental payment will increase by 3% annually with the first increase to begin at the inception of the second lease year.

III. Contract Items

- A. Type of Contract: Lease Agreement providing for right to lease certain real property in Pidgeon Industrial Park with an Option to Purchase.
- B. Terms: Lease term is for a ten year period.

IV. Additional Information Relevant to approval of this item

The Buffer Area consists of approximately 170.741 acres adjacent to and contiguous with the western boundary of the “Tenant’s” existing steel mill facility. The Option to Purchase may be exercised during a period of time sixty days prior to the expiration of the Lease Term with the closing of the sale and purchase of the “Landlord’s” interest in the Buffer Area occurring on or before the date that is sixty days after the date the “Tenant” delivers the Notice of Exercise to the “Landlord”. The “Tenant” will pay the “Landlord” a purchase price of \$100.00.